

(a) Give Buyer and its representatives full access during normal business hours to the business offices, business properties and assets of the Station, and furnish Buyer with all information concerning the Station, its assets and properties as Buyer may reasonably request. Buyer agrees to take no action which would interfere with the normal business or operation of the Station. Seller shall continue to operate the Station in the normal and ordinary course of business. Failure to maintain on-air operation of the Station for a period of more than seventy-two (72) hours without the written consent of Buyer shall permit Buyer to terminate this Agreement upon written notice.

(b) Give Buyer and its representatives full access to Seller's studios and transmitter site.

(c) Comply in all material respects with all applicable federal, state and local laws, ordinances and regulations, including, but not limited to, the Communications Act of 1934 and the rules and regulations of the FCC.

(d) Keep and maintain in normal operating repair and efficiency all property to be sold hereunder and retain all of the items of property set forth in Exhibit 2 hereto; provided, that to the extent required in the normal operation of the Station, such items of property may be replaced with similar property of similar value.

9. Conditions Precedent to Buyer's Obligations.

The obligations of Buyer under this Agreement are subject to the satisfaction, or to Buyer's written waiver, on or before the Closing, of all of the following conditions:

(a) The representations and warranties of Seller contained in this Agreement shall be true and correct on and as of the time of the Closing and all of the agreements of Seller to be performed on or prior to the Closing pursuant to the terms hereof shall have been duly performed.

(b) There shall have been no material adverse change with respect to the operation of the Station or any of the properties or assets to be transferred hereunder.

(c) At the time of the Closing, the License and any other FCC authorizations shall have been assigned and transferred to Buyer and shall contain no adverse modifications of the terms of the License and such authorizations as they presently exist.

(d) The transmission and other broadcast equipment to be transferred to Buyer hereunder will be as of the Closing, excluding normal wear and tear, in good condition and in compliance with the rules of the FCC.

(e) Except as provided in this Agreement, no insolvency proceedings of any character including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement of creditors, voluntary or involuntary, affecting the Seller or any of its assets or properties shall be pending, and Seller shall have made no assignment for the benefit of creditors, or taken any action with a view to, or which would constitute the basis for, the institution of any such insolvency

proceeding. In the event Seller shall have filed for protection against creditors pursuant to any Chapter of the Bankruptcy Act, Buyer's obligation to close shall be conditioned upon grant of consent by an Order, Decree, or Judgment of the Bankruptcy Court, in form and substance satisfactory to Buyer's counsel, authorizing Buyer's acquisition of the assets to be sold pursuant to this Agreement, free and clear of any obligation to Seller's creditors, secured or unsecured.

(f) No judgment shall then be pending against Seller, and there shall be no litigation, complaint, proceeding or investigation by or before the FCC or by or before any other person, firm or governmental agency pending, or, to the knowledge of Seller, threatened with respect to the Station which might result in any material adverse change in the condition (financial or otherwise) of the Station, or which would affect the right, title or interest of Seller in the property and assets to be transferred hereunder, or which would affect the ownership, use or possession of the Station or any such property or assets by Buyer or which may question the validity of any action taken or to be taken pursuant to or in connection with any of the provisions of this Agreement. Seller does not know and has no reasonable grounds to know of any basis for any litigation, proceedings or investigation.

(g) Seller shall have had its full power and authority to enter into this Agreement ratified and shall have full power and authority to consummate the transactions contemplated hereby.

(h) Seller shall have entered into the Tower Site Lease with Buyer on the terms set forth in Section 11 hereof and on such other terms as are satisfactory to Buyer.

(i) Jeffrey shall have executed and delivered to Seller the Lien Release.

10. FCC Approval and Applications

(a) Consummation of the transactions contemplated by this Agreement is subject to and conditioned upon receipt from the FCC of its consent in writing to the assignment to Buyer of the License and other authorizations to be transferred to Buyer hereunder, which consent shall have become final on or before the Closing. Such consent shall be deemed to have become final when it is no longer subject to timely review by the FCC or by any court, or, in the event of reconsideration upon its own motion or otherwise by the FCC, or in the event of an appeal by any person to any court, when the decision of such body is no longer subject to appeal or review. The requirement that the consent of the FCC shall have become final may be waived by Buyer.

(b) The parties to this Agreement agree to proceed as expeditiously as practicable to file or cause to be filed an application requesting FCC consent to the assignment and transfer of the License and other authorizations, as contemplated by this agreement. The parties agree that such application shall be duly filed with the FCC not later than ten (10) days after the execution of this Agreement, and that such application shall be prosecuted in good faith and with due diligence.

(c) If the FCC has failed or refused to grant such written consent to the assignment of licenses of the Station to Buyer within six (6) months from the date on which the application contemplated by the preceding paragraph is accepted for filing by the FCC, or if the FCC orders an evidentiary hearing upon such application, Buyer may, so long as it is not in default under the terms of this Agreement, terminate this Agreement upon ten days written notice to the Seller. In the event the transactions contemplated herein have not been fully consummated by March 1, 1992, either party may terminate this Agreement. In the event of such termination, the earnest money deposit, as provided for in Section 2 hereof, shall be returned to Buyer.

11. The Tower Site. Seller agrees to use Seller's best efforts prior to Closing to negotiate and execute the Tower Site Lease with Buyer for use in connection with the Station's operations and for a term of not less than six (6) months; provided that the Tower Lease shall permit either party to terminate the lease on six (6) months' prior written notice and, provided further, that in no event shall the rent under the Tower Site Lease exceed TWO HUNDRED FIFTY AND NO/100 (\$250.00) DOLLARS per month during the first year of the lease term, and THREE HUNDRED FIFTY AND NO/ 100 (\$350.00) DOLLARS per month, during any and all subsequent extensions and/or renewals thereof. Seller hereby directs Buyer to pay for the first four monthly installments of rent directly to Jeffrey. In consideration of Seller's execution of the Tower Site Lease on the terms provided

herein, Buyer agrees to pay to Seller, the sum of TWO HUNDRED EIGHT AND 33/100 DOLLARS (\$208.33) per month, during each month in which such lease remains in effect. This Section shall not apply in the event that Buyer elects to use a different site than the Tower Site described in Exhibit 4, or if Seller and Buyer fail to execute the Tower Site Lease prior to the Closing Date.

12. Default

(a) In the event of a material breach by Seller of any of its representations, warranties, covenants or agreements hereunder, not cured before the Closing Date or within fifteen (15) days of notice of such breach from Buyer, whichever occurs sooner, Buyer may:

(1) Terminate this Agreement, and receive as liquidated damages, the sum of TWENTY FIVE THOUSAND AND NO/100 (\$25,000.00) DOLLARS; and

(2) Obtain from the Escrow Agent the return of the earnest money deposit; or

(3) Seek the judicial remedy of specific performance, together with all costs incident to obtaining specific performance, including reasonable attorneys' fees.

(b) In the event of a material breach by Buyer of any of its representations, warranties, covenants and agreements hereunder, not cured on or before the Closing Date or within fifteen (15) days of notice of such breach from Seller, whichever occurs sooner, Seller may terminate this Agreement and obtain from the Escrow Agent the earnest money deposit as liquidated damages.

13. Indemnification.

(a) By this agreement, Buyer does not assume and shall not be obligated to pay any liabilities of Seller, and Buyer shall not be obligated to perform any obligations of Seller. Seller shall indemnify and hold Buyer, and its successors and assigns, harmless from and against the following (collectively, "Loss and Expense"):

(1) Any and all claims, liabilities and obligations, of any kind and description, contingent or otherwise, arising from or related to the operation of the Station prior the Closing, including, but not limited to, any and all claims, liabilities and obligations arising or required to be performed prior to the Closing.

(2) Any and all damage or deficiency resulting from any misrepresentation or breach of warranty, or nonfulfillment of any covenant or agreement on the part of Seller under this Agreement.

(3) Any and all actions, suits, proceedings, damages, assessments, judgments, costs and expenses, including reasonable attorneys' fees, incident to any of the foregoing.

(b) If any claim or liability shall be asserted against Buyer which would give rise to a claim by Buyer against Seller for indemnification under the provisions of this Section, Buyer shall promptly notify Seller in writing thereof, and Seller shall be entitled, at its own expense, to compromise or defend any such claim; provided, however, that such action by Seller shall not limit or reduce Buyer's rights of indemnification under

this Section; provided further, that no such compromise which adversely affects Buyer or its business or properties shall be effected without Buyer's written consent and that counsel employed in connection with any such defense shall be satisfactory to Buyer. Seller agrees that the amount of any Loss and Expense incurred by Buyer may be set off against the payments owed to Seller under Section 11.

14. Costs.

The parties hereto shall each bear their own legal fees and other costs and expenses with respect to this Agreement, and the filing and prosecution of the application to the FCC for consent to the transactions provided for herein, except as provided in this Section. Seller shall be responsible for arranging for publication of any notices required to be given pursuant to the FCC's rules concerning the filing of the application and any amendments thereto. The cost of publishing any required notices concerning the filing of the application and any amendments thereto shall be borne by Buyer.

15. Exhibits.

All exhibits attached to this Agreement are a part hereof and incorporated herein, where applicable, as if fully set forth herein.

16. Benefit.

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns.



17. Construction.

This Agreement is being delivered and is intended to be performed in the State of California and shall be construed and enforced in accordance with the laws of that State.

18. Counterparts.

This Agreement may be executed simultaneously or in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

19. Notices.

All notices and other communications to any party hereunder shall be in writing and shall be deemed to have been duly given if delivered or mailed by certified mail, return receipt requested, postage prepaid, to the address for that party shown below, or to such other address as such party may designate in a written notice to the other parties:

- (a) If to Seller, to:  
Jeff Prather, President  
4432 Tralee Lane  
Redding, California 96001
- (b) If to Buyer, to:  
Richard Jenkins, President  
Educational Media Foundation, Inc.  
2290 Airport Boulevard  
Santa Rosa, California 95403
- (c) If to Jeffrey, to:  
Len Freeman  
Jeffrey Broadcasting Corp.  
658 La Corso Drive  
Walnut Creek, California 94598

Any notice or other communication hereunder, if mailed in accordance with the foregoing, shall be deemed to have been

received by the party to whom it is addressed on the day after it is placed in the mail.

20. Cooperation.

Each party hereto agrees to perform such further acts and execute such further documents as may be necessary or desirable to effectuate this Agreement and the transactions provided for herein.

21. Entire Agreement.

This Agreement, together with all exhibits, contains all of the terms agreed upon by the parties with respect to the subject matter hereof and supercedes all prior agreements and understandings among the parties and may not be changed or terminated orally. No attempted change, termination or waiver of any of the provisions hereof shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

IN WITNESS WHEREOF, the parties have duly executed this Agreement on the date first above written.

SELLER:

PRATHER-BRECK BROADCASTING, INC.  
OF REDDING

By: *Robert Breck*

Robert Breck  
225 Rice Ranch Road  
Santa Maria, CA 93455  
(805) 934-3060

By: \_\_\_\_\_

Jeff Prather, President

BUYER:

EDUCATIONAL MEDIA FOUNDATION, INC.

WITNESS:

*Susan M. Lang*

By: \_\_\_\_\_

Richard Jenkins, President

JEFFREY:

JEFFREY BROADCASTING CORP.

By: \_\_\_\_\_

Len Freeman

Title: \_\_\_\_\_



IN WITNESS WHEREOF, the parties have duly executed this Agreement on the date first above written.

SELLER:

PRATHER-BRECK BROADCASTING, INC.  
OF REDDING

By: \_\_\_\_\_  
Robert Breck  
225 Rice Ranch Road  
Santa Maria, CA 93455  
(805) 934-3060

By: Jeff Prather  
Jeff Prather, President  
By: William A. Jenkins

BUYER:  
EDUCATIONAL MEDIA FOUNDATION, INC.

WITNESS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Richard Jenkins, President

JEFFREY:

JEFFREY BROADCASTING CORP.

By: \_\_\_\_\_  
Len Freeman

Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties have duly executed this Agreement on the date first above written.

SELLER:

PRATHER-BRECK BROADCASTING, INC.  
OF REDDING

By: \_\_\_\_\_  
Robert Breck  
225 Rice Ranch Road  
Santa Maria, CA 93455  
(805) 934-3060

By: \_\_\_\_\_  
Jeff Prather, President

BUYER:  
EDUCATIONAL MEDIA FOUNDATION, INC.

WITNESS:

*Michelle Matt*  
*Nancy Freeman*

By: \_\_\_\_\_  
Richard Jenkins, President

JEFFREY:

JEFFREY BROADCASTING CORP.

By: *Len Freeman*  
Len Freeman

Title: President

IN WITNESS WHEREOF, the parties have duly executed this Agreement on the date first above written.

SELLER:

PRATHER-BRECK BROADCASTING, INC.  
OF REDDING

By: \_\_\_\_\_  
Robert Breck  
225 Rice Ranch Road  
Santa Maria, CA 93455  
(805) 934-3060

By: \_\_\_\_\_  
Jeff Prather, President

BUYER:

EDUCATIONAL MEDIA FOUNDATION, INC.

WITNESS:

\_\_\_\_\_  
Marion K. Foster  
\_\_\_\_\_  
John D. Miller

By: \_\_\_\_\_  
Richard Jenkins, President

JEFFREY:

JEFFREY BROADCASTING CORP.

By: \_\_\_\_\_  
Len Freeman

Title: \_\_\_\_\_

EXHIBIT NO. 2  
Educational Media  
Foundation, Inc.  
FCC Form 314  
Section II  
Item No. 7(e)

Other Broadcast Interests

Educational Media Foundation, Inc. ("assignee") has interests in the following broadcast facilities:

1. Licensee, KLVR(FM)  
Santa Rosa, California
2. Permittee of new AM station, KZEF, Tigard, Oregon
3. Applicant for a new FM station, Megalia, California  
(FCC File No. BPED-910523MF)
4. Licensee of five (5) FM translators

EXHIBIT NO. 3  
Educational Media  
Foundation, Inc.  
FCC Form 314  
Section IV  
Item No. 1

Programming Service Statement

The assignee intends to ascertain the needs and interests of Redding, California and the surrounding area and to carry programming that is responsive to those needs and interests in amounts and at times the assignee in good faith believes such programming will be effective.



**KRDG**  
AM STEREO 1330

✓  
239

MARCH 7, 1991

FEDERAL COMMUNICATIONS COMMISSION  
AM BRANCH  
MAY BRADFIELD  
ROOM 342

MAR 12 1991

AM BRANCH

Dear M's Bradfield

Please send the calculations, times and associated power levels for nitetime operation on AM 1330(krdg) in Redding, California. We are in the process of selling the station and the new owner would like this data updated and verified by the F.C.C.

Please forward the information to:

KRDG AM-1330  
P.O. BOX 720156  
REDDING, CA 96099

Thank you for your assistance in this matter.

Sincerely

J.J. Prather, owner  
KRDG AM-1330